

DOG-M RECEIVED JUNE 13, 1994

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June 8, 1994

John T. Blake
Mineral Resources Specialist
Dept. of Natural Resources
3 Triad Center, Suite 400
355 W. North Temple
Salt Lake City, UT 84180-1204

DOG-M
MINERALS PROGRAM
FILE COPY

re: ML 43106-Building Stone Lease S/003/012 Box Elder County

Dear Mr. Blake,

I have just received your letter of May 17, 1994 requesting that we immediately submit a surety bond for 5 acres of disturbed area in the amount of \$25,000.00. You must realize that we have a very small specialty building/ flagstone quarry operation at this site and remove only a small amount of material in the course of a year. We have the neatest, cleanest and best run quarry of this type that anyone has ever seen. We have done a great amount of work to clean up problems left by previous operators and have completed restoration work on part of the area. In short we have a model operation.

We conduct our quarry operation only 1.5 acres and this should take care of us for years to come. We have worked closely with Tony Gallegos on this project and he is well aware of what we have done and the quality of our operation.

In view of the nature of the land we work on and the terrain, a \$25,000.00 bond would impose a severe and unnecessary hardship on our company. In fact these bonds are extremely difficult to come by in spite of the fact that we are a solvent company with considerable assets.

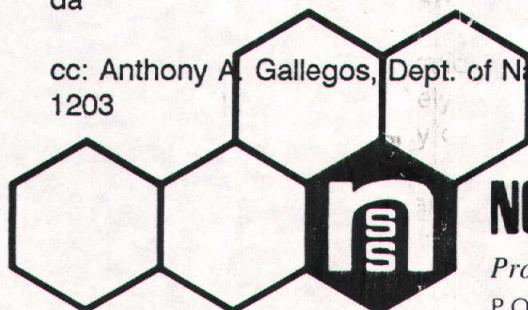
Tony Gallegos suggested that I write to you for an extension of time to get this bond matter resolved and to also advise you on the actual size of the area we quarry on.

I believe it would enlighten you on this situation if you would talk to Tony Gallegos about our operation and its size. In our conversation a few days ago, you said that you would send a list of Utah bonding companies that bond state mining property. I have not received it as yet and would appreciate your help. Please give me a call if you have further questions.

Sincerely,

Gary Mullard
President
da

cc: Anthony A. Gallegos, Dept. of Natural Resources, 355 W. North Temple, S.L.C., UT 84180-1203



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